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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

HEMP, INC. a Colorado Corporation;
BRUCE J. PERLOWIN, an individual;
BARRY K. EPLING, an individual; JED
M. PERLOWIN, an individual; FERRIS
HOLDING, INC., a private Nevada
Corporation; HOBBS EQUITIES INC.,
a private Nevada Corporation;
DIVERSIFIED INVESTMENTS LLC, a
private Nevada Limited Liability
Company; and QUANTUM ECONOMIC
PROTOCOLS LLC, a private Nevada
Limited Liability Company.

Defendants.

Case No.: 2:16-cv-01413-JAD-BNW

**FINAL JUDGMENT AS TO
DEFENDANT HEMP, INC.**

The Securities and Exchange Commission having filed a Complaint and Defendant
HEMP, INC. having entered a general appearance; consented to the Court's jurisdiction over
Defendant and the subject matter of this action; consented to entry of this Final Judgment
without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived
findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the

1 mails, directly or indirectly:

- 2 (a) to employ any device, scheme, or artifice to defraud;
- 3 (b) to obtain money or property by means of any untrue statement of a material fact
- 4 or any omission of a material fact necessary in order to make the statements
- 5 made, in light of the circumstances under which they were made, not misleading;
- 6 or
- 7 (c) to engage in any transaction, practice, or course of business which operates or
- 8 would operate as a fraud or deceit upon the purchaser.
- 9
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11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in

12 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who

13 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's

14 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or

15 participation with Defendant or with anyone described in (a).

16

17 III.

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19 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant

20 is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C.

21 § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- 22 (a) Unless a registration statement is in effect as to a security, making use of any
- 23 means or instruments of transportation or communication in interstate commerce
- 24 or of the mails to sell such security through the use or medium of any prospectus
- 25 or otherwise;
- 26 (b) Unless a registration statement is in effect as to a security, carrying or causing to
- 27 be carried through the mails or in interstate commerce, by any means or
- 28

1 instruments of transportation, any such security for the purpose of sale or for
2 delivery after sale; or

- 3 (c) Making use of any means or instruments of transportation or communication in
4 interstate commerce or of the mails to offer to sell or offer to buy through the use
5 or medium of any prospectus or otherwise any security, unless a registration
6 statement has been filed with the Commission as to such security, or while the
7 registration statement is the subject of a refusal order or stop order or (prior to the
8 effective date of the registration statement) any public proceeding or examination
9 under Section 8 of the Securities Act [15 U.S.C. § 77h].
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12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
13 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
14 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's
15 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
16 participation with Defendant or with anyone described in (a).
17

18 IV.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a
20 civil penalty in the amount of \$300,000 to the Securities and Exchange Commission pursuant to
21 Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange
22 Act [15 U.S.C. § 78u(d)(3)]. Defendant shall make this within 30 days after entry of this Final
23 Judgment.
24

25 Defendant may transmit payment electronically to the Commission, which will provide
26 detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly
27 from a bank account via Pay.gov through the SEC website at
28

1 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
2 cashier's check, or United States postal money order payable to the Securities and Exchange
3 Commission, which shall be delivered or mailed to
4

5 Enterprise Services Center
6 Accounts Receivable Branch
7 6500 South MacArthur Boulevard
8 Oklahoma City, OK 73169

9 and shall be accompanied by a letter identifying the case title, civil action number, and
10 name of this Court; Hemp, Inc. as a defendant in this action; and specifying that payment is
11 made pursuant to this Final Judgment.

12 Defendant shall simultaneously transmit photocopies of evidence of payment and case
13 identifying information to the Commission's counsel in this action. By making this payment,
14 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part
15 of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant
16 to this Final Judgment to the United States Treasury.
17


18 The Commission may enforce the Court's judgment for penalties by the use of all
19 collection procedures authorized by law, including the Federal Debt Collection Procedures Act,
20 28 U.S.C. § 3001 et seq., and moving for civil contempt for the violation of any Court orders
21 issued in this action. Defendant shall pay post-judgment interest on any amounts due after 30
22 days of the entry of this Final Judgment pursuant to 28 USC § 1961.
23

24 V.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
26 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.
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VI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.



U.S. District Judge Jennifer A. Dorsey
Dated: May 31, 2021